

SENATE BILL 1530

By Cohen

AN ACT to amend Tennessee Code Annotated, Title 8,
Chapter 36, relative to early retirement.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 8, Chapter 36, Part 3, is amended by adding the following as a new section thereto:

8-36-308.

(a) The treasury department shall develop a program that provides loans to state employees that would allow them to buy credited service enabling such employee to retire early. Such loans shall come from the retirement fund. Any employee participating in this loan program shall be charged a premium interest rate. The department shall require the loan to be paid back on an installment basis. The amount of service needed to retire shall be calculated after applying an employee's sick leave days.

(b) The state treasurer is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, title 4, chapter 5.

SECTION 2. For purposes of rulemaking this act shall take effect upon becoming a law, for all other purposes it shall take effect, January 1, 2006, the public welfare requiring it.